

TrustIndiana

Local Government Investment Pool

TheNEWS

Financial Transparency: Because Truth Breeds Confidence

Seven Years of Economic Pain in 200 words....

Unprecedented levels of economic uncertainty have remained a constant in the U.S. since 2007. There is little doubt that financial transparency played a starring role at the onset of what is now known as the "Great Recession". While experts provide a variety of primary and secondary causes of the U.S. Financial Crisis, most agree that subprime lending, excessive private debt and a general lack of banking regulation are amongst the biggest instigators. The casualties of the crisis are well documented; three of the largest investment banks in the world either filed for bankruptcy or were sold for pennies on the dollar. More than 500 commercial banks failed at a never before seen clip*, unemployment skyrocketed to 10% in 2009, housing prices plummeted, the stock market tumbled, and the Federal Open Market Committee (FOMC) pegged the fed funds target rate at zero to 0.25%. Higher levels of financial transparency may have sidestepped this once in a lifetime (we hope) economic downturn, or at a minimum, softened the blow, and recent regulatory changes on both the state and federal level seem to suggest this as well.

The Importance of Transparency to You, the Public Funds Investor

Evidence suggests that the markets tend to assign a higher value to firms and corporations that are upfront with their investors. Makes sense right? An intelligent investor understands the key metrics that make a company tick. If the appropriate information is readily available, and reliably accurate, then there is significantly less risk, which naturally translates into higher values. As a shepherd of the public's funds at your local government, the same

concept applies. The more transparent your team, the more confidence it will instill in your taxpayers. In our opinion, it is extremely important that you know exactly what and where your public's investible dollars are at all times.

Public Trust's Commitment: Come and Take a Look

Liquid money funds such as Local Government Investment Pools (LGIPs) are no exception. If you are not receiving a listing of your provider's investment holdings at least monthly, there are a few natural questions. Why not? What does my LGIP provider have to hide? Doesn't the taxpayer have a right to know? The Public Trust team of portfolio managers and investment advisors are successfully managing and administering numerous LGIP accounts across the nation. It is always our goal to provide an uncompromised level of safety, which leads to our track record of success.

Nothing is taken for granted. The Public Trust Credit Team creates proprietary approved lists, not only determining the credit worthiness of the commercial paper in your portfolio, but also carefully selecting approved banking counterparties in every state in which we operate. We believe that this conservative and selective approach differentiates us, and in turn, differentiates TrustIndiana from other cash investment options available to you. At Public Trust, we have nothing to hide; so the next time you receive your monthly statements from TrustIndiana, we ask that you give some thought to the other "transparency reports" that you may or may not be receiving from your other investment providers. So take the time to ask, you and your financial consultants have a right to know.

All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. The information above is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Of course past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

*Source: <https://www.fdic.gov/bank/individual/failed/banklist.html>



TheECONOMY

One Last Chance

Continued signs of weakness in the global economy have recently diminished the market probability of a rate hike from the Federal Reserve (Fed) this year. However at the conclusion of its October meeting, the Fed stated that it would explicitly consider raising the federal funds target rate "at the next meeting." Whether it truly believes in the strength of the U.S. economy or is just afraid to give the wrong impression, the Fed clearly wants to leave the December meeting in play. As a result, front-end treasury yields moved materially higher after the announcement.

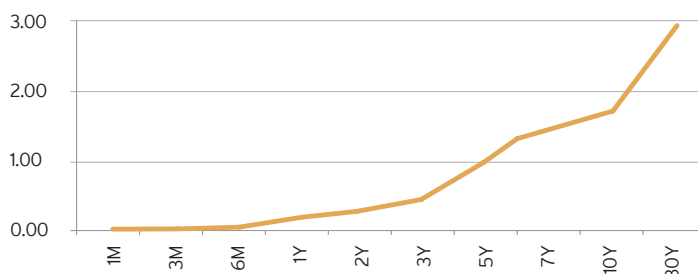
The U.S. economy continues to operate on both ends of the spectrum, where solid consumer and business expenditures have been offset by overseas headwinds weighing on the manufacturing sector. After growing at a 3.9 percent annualized rate in the second quarter, gross domestic product slowed to 1.5 percent in the third. It is worth noting that a large (and possibly temporary) reduction in inventory levels subtracted nearly 1.5 percent from the overall advance. However, this could also be a sign that companies lack confidence in demand going forward.

Apart from the Fed, global central bankers continue to either ramp up or debate further stimulus to promote growth. As a result, the dollar remains strong relative to other major world currencies and may curb inflationary pressure domestically for now. The Fed has also recently voiced concern that the link between low levels of unemployment and higher wage inflation may not be as strong as once believed. Despite these concerns, the Fed has one last chance this year to raise rates. Failing to do so may strain the Fed's credibility going forward, further complicating the communication of its message.

Portfolio Strategy

Short-term rates continued to be well anchored by the Fed's zero interest target rate policy. However, we are preparing for the Fed to potentially lift rates before the end of the year. As always, we remain focused on safety, liquidity and then yield.

US Treasury Curve



Source: Bloomberg

Treasury Yields

MATURITY	11/2/15	10/2/15	CHANGE
3 Month	0.070%	0.010%	0.060%
6 Month	0.210%	0.020%	0.190%
1-Year	0.320%	0.250%	0.070%

Source: Bloomberg

Agency Yields

MATURITY	11/2/15	10/2/15	CHANGE
3 Month	0.090%	0.120%	-0.030%
6 Month	0.180%	0.180%	0.000%
1-Year	0.310%	0.280%	0.030%

Source: Bloomberg

Commercial Paper Yields (A-1/P-1)

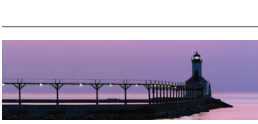
MATURITY	11/2/15	10/2/15	CHANGE
1 Month	0.220%	0.160%	0.060%
3 Month	0.300%	0.270%	0.030%
6 Month	0.500%	0.480%	0.020%
9 Month	0.650%	0.620%	0.030%

Source: Bloomberg

Current Economic Releases

DATA	PERIOD	VALUE
GDP QoQ	Q3 '15	1.50%
US Unemployment	Sep '15	5.10%
ISM Manufacturing	Oct '15	50.1
PPI YoY	Sep '15	-4.10%
CPI YoY	Sep '15	0.00%
Fed Funds Target	Oct 28 '15	0 - 0.25%

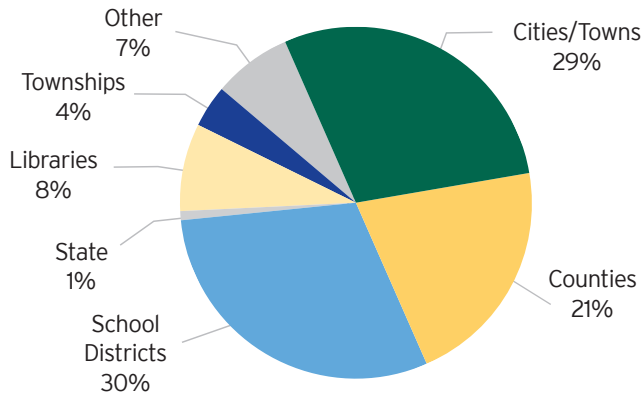
Source: Bloomberg



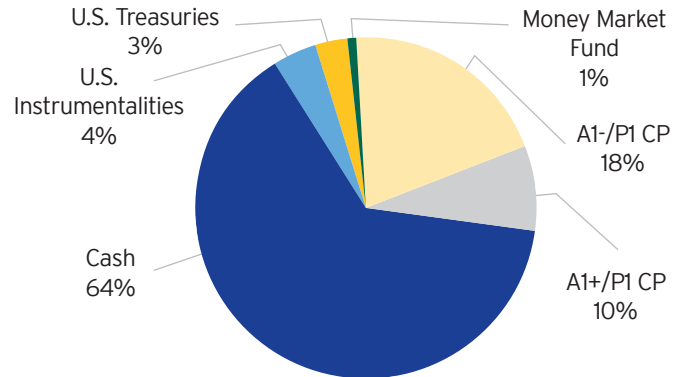
TheFUND

Fund Highlights as of October 31, 2015 (Unaudited)

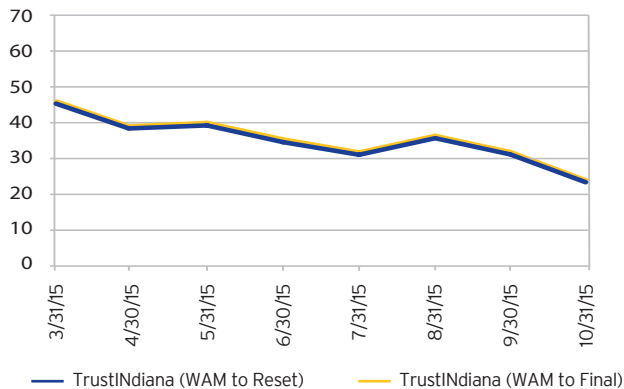
Participant Breakdown



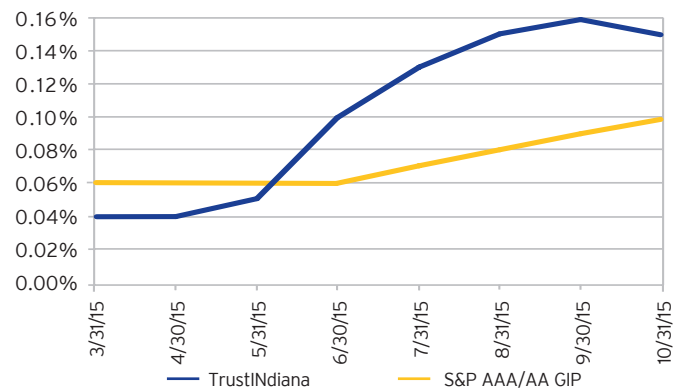
Portfolio Distribution



Weighted Average Maturity



TrustIndiana vs S&P AAA/AA GIP* (30 Day Avg Yields)



Month	Avg Daily Yields**	WAM (to Reset)***	NAV	Month Ending Net Assets
Aug-15	0.15%	36	1.00	\$521,980,837.95
Sep-15	0.16%	31	1.00	\$517,813,443.21
Oct-15	0.15%	23	1.00	\$516,407,244.03

** 30 day yield as of the last day of the month

*** As of the end of the last day of the month

Public Trust Advisors, LLC took over the management and advisory services effective May 1, 2015. All data prior to this date is from the previous Investment Advisor. As both Investment Advisors adhered to the investment policy there may be variances in yield, weighted average maturities and portfolio composition due to differing investment style.

Data Unaudited. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. The information above is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. Additionally, past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.

*The benchmark, the S&P US AAA & AA Rated GIP All 30 Day Net Yield (LGIP30D) is a performance indicator of rated GIPs that maintain a stable net asset value of \$1.00 per share and is an unmanaged market index representative of the LGIP universe. The S&P benchmark utilized in this comparison is a composite of all rated stable net asset value pools. GIPs in the index include only those rated based on Standard & Poor's money market criteria. Pools rated 'AAAm' provide excellent safety and a superior capacity to maintain principal value while those rated 'AAm' offer very good safety and a strong capacity to maintain principal value (Source: Standard & Poor's website.) The comparison between this index and the portfolio may differ in holdings, duration and percentage composition of each holding. Such differences may account for variances in yield.